



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2018
OF THE CONDITION AND AFFAIRS OF THE
MCNA INSURANCE COMPANY

NAIC Group Code 4730 , 4730 NAIC Company Code 14063 Employer's ID Number 522459969
(Current Period) (Prior Period)

Organized under the Laws of Texas , State of Domicile or Port of Entry Texas

Country of Domicile US

Licensed as business type:
Life, Accident and Health [X] Property/Casualty [] Hospital, Medical and Dental Service or Indemnity []
Dental Service Corporation [] Vision Service Corporation [] Other []
Health Maintenance Organization [] Is HMO Federally Qualified? Yes () No ()

Incorporated/Organized May 4, 2011 Commenced Business May 4, 2011

Statutory Home Office 100 Congress Avenue Suite 1100, Austin, Texas, US 78701
(Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office 200 West Cypress Creek Road Suite 500, Fort Lauderdale, Florida, US 33309 800-494-6262
(Street and Number, City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 200 West Cypress Creek Road Suite 500, Fort Lauderdale, Florida, US 33309
(Street and Number or P. O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records 200 West Cypress Creek Road Suite 500, Fort Lauderdale, Florida, US 33309
(Street and Number, City or Town, State, Country and Zip Code)
800-494-6262
(Area Code) (Telephone Number)

Internet Website Address www.mcna.net

Statutory Statement Contact Edward Strongin 800-494-6262 x189
(Name) (Area Code) (Telephone Number) (Extension)
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OFFICERS

JEFFREY FEINGOLD (PRESIDENT/CEO) GLEN FEINGOLD (CHIEF OPERATING OFFICER)
CARLOS LACASA (SECRETARY) EDWARD STRONGIN (TREASURY)

OTHER OFFICERS

DIRECTORS OR TRUSTEES

JEFFREY FEINGOLD, DDS
GLEN FEINGOLD
BARBARA FEINGOLD
CARLOS LACASA
GARY CLARKE
ALBERT HAWKINS
JACK GREENMAN, CPA
SAM HAMMER, CPA

State of Florida }
County of Broward } SS

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

JEFFREY FEINGOLD, DDS GLEN FEINGOLD CARLOS LACASA
PRESIDENT/CEO CHIEF OPERATING OFFICER SECRETARY

Subscribed and sworn to before me this day of _____ a. Is this an original filing? Yes (X) No ()
_____ b. If no: 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Col. 1 minus Col. 2)	Prior Year Net Admitted Assets
1. Bonds	112,821,614		112,821,614	107,136,143
2. Stocks:				
2.1 Preferred stocks	2,532,369		2,532,369	1,753,048
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 14,952,918), cash equivalents (\$ 4,261,418) and short-term investments (\$ 1,175,031)	20,389,367		20,389,367	61,796,030
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	135,743,350		135,743,350	170,685,221
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	954,599		954,599	839,493
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	35,056,342		35,056,342	4,285,131
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)	422,812	422,812		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	452,368	452,368		
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	8,241,912	8,241,912		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	180,871,384	9,117,092	171,754,292	175,809,846
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Totals (Line 26 and Line 27)	180,871,384	9,117,092	171,754,292	175,809,846
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501. Prepays	8,202,409	8,202,409		
2502. Security Deposit	39,503	39,503		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	8,241,912	8,241,912		

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ 12,582,626 reinsurance ceded)	31,765,198		31,765,198	26,256,022
2. Accrued medical incentive pool and bonus amounts	2,028,629		2,028,629	2,587,621
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act				1,276,268
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	12,933,765		12,933,765	8,352,302
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities	419,909		419,909	
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 12,582,626 unauthorized reinsurers and \$ certified reinsurers)	12,582,626		12,582,626	12,255,596
20. Reinsurance in unauthorized and certified (\$) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$ current)				
24. Total liabilities (Line 1 to Line 23)	59,730,127		59,730,127	50,727,809
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	2,000,000	2,000,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	28,000,000	28,000,000
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	82,024,165	95,082,037
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Line 25 to Line 31 minus Line 32)	XXX	XXX	112,024,165	125,082,037
34. Total Liabilities, capital and surplus (Line 24 and Line 33)	XXX	XXX	171,754,292	175,809,846
DETAILS OF WRITE-INS				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)				
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Line 3001 through Line 3003 plus Line 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year to Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X	34,282,402	29,003,209	39,660,443
2. Net premium income (including \$ non-health premium income)	X X X	546,084,830	440,526,509	602,846,481
3. Change in unearned premium reserves and reserve for rate credits	X X X	500,524	(5,229,363)	(7,931,761)
4. Fee-for-service (net of \$ medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X			
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Line 2 to Line 7)	X X X	546,585,354	435,297,146	594,914,720
Hospital and Medical:				
9. Hospital/medical benefits		594,035,868	502,171,402	684,130,722
10. Other professional services				
11. Outside referrals				
12. Emergency room and out-of-area				
13. Prescription drugs				
14. Aggregate write-ins for other hospital and medical				
15. Incentive pool, withhold adjustments and bonus amounts		1,687,500	2,025,121	2,587,621
16. Subtotal (Line 9 to Line 15)		595,723,368	504,196,523	686,718,343
Less:				
17. Net reinsurance recoveries		162,245,072	160,945,458	213,767,338
18. Total hospital and medical (Line 16 minus Line 17)		433,478,296	343,251,065	472,951,005
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$ cost containment expenses				
21. General administrative expenses		104,045,935	78,924,424	106,967,116
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)				
23. Total underwriting deductions (Line 18 through Line 22)		537,524,231	422,175,489	579,918,121
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	9,061,123	13,121,657	14,996,599
25. Net investment income earned		2,709,960	1,821,457	2,187,097
26. Net realized capital gains (losses) less capital gains tax of \$		(495,251)	(91,887)	(173,961)
27. Net investment gains (losses) (Line 25 plus Line 26)		2,214,709	1,729,570	2,013,136
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]				
29. Aggregate write-ins for other income or expenses				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Line 24 plus Line 27 plus Line 28 plus Line 29)	X X X	11,275,833	14,851,226	17,009,736
31. Federal and foreign income taxes incurred	X X X			
32. Net income (loss) (Line 30 minus Line 31)	X X X	11,275,833	14,851,226	17,009,736
DETAILS OF WRITE-INS				
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X			
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)				
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
33. Capital and surplus prior reporting year	125,082,037	121,434,817	121,434,817
34. Net income or (loss) from Line 32	11,275,833	14,851,227	17,009,735
35. Change in valuation basis of aggregate policy and claims reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(2,409,186)	801,902	430,124
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	(6,924,519)	(2,391,165)	1,207,362
40. Change in unauthorized and certified reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Tranferred from capital			
46. Dividends to stockholders	(15,000,000)	(15,000,000)	(15,000,000)
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Line 34 to Line 47)	(13,057,872)	(1,738,036)	3,647,220
49. Capital and surplus end of reporting period (Line 33 plus Line 48)	112,024,165	119,696,781	125,082,037
DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	514,037,351	458,850,519	616,355,249
2. Net investment income	3,024,976	2,187,749	2,550,515
3. Miscellaneous income			
4. Total (Line 1 through Line 3)	517,062,327	461,038,268	618,905,764
5. Benefit and loss related payments	428,027,587	357,003,407	477,913,242
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	106,283,147	84,605,315	106,343,045
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)			
10. Total (Line 5 through Line 9)	534,310,734	441,608,722	584,256,287
11. Net cash from operations (Line 4 minus Line 10)	(17,248,408)	19,429,546	34,649,477
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	30,626,008	23,750,336	32,026,946
12.2 Stocks		316,489	742,525
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	63,013	(690)	(375)
12.7 Miscellaneous proceeds	408,728		22,378
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	31,097,749	24,066,135	32,791,474
13. Cost of investments acquired (long-term only):			
13.1 Bonds	39,591,049	46,529,306	57,038,123
13.2 Stocks	886,142	2,278,397	2,216,199
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets	105,843	42,276	331,328
13.6 Miscellaneous applications			(283)
13.7 Total investments acquired (Line 13.1 through Line 13.6)	40,583,034	48,849,979	59,585,367
14. Net increase or (decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(9,485,286)	(24,783,844)	(26,793,893)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders	15,000,000	15,000,000	15,000,000
16.6 Other cash provided (applied)	327,030	(3,921,868)	(1,983,814)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(14,672,970)	(18,921,868)	(16,983,814)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(41,406,663)	(24,276,165)	(9,128,230)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	61,796,030	70,924,259	70,924,260
19.2 End of period (Line 18 plus Line 19.1)	20,389,367	46,648,094	61,796,030

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001			
20.0002			
20.0003			
20.0004			
20.0005			
20.0006			
20.0007			
20.0008			
20.0009			
20.0010			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	3,558,642								3,558,642	
2. First Quarter	3,817,729								3,817,729	
3. Second Quarter	3,802,227								3,802,227	
4. Third Quarter	3,825,099								3,825,099	
5. Current Year										
6. Current Year Member Months	34,282,402								34,282,402	
Total Member Ambulatory Encounters for Period:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Health Premiums Written (a)	702,648,914								702,648,914	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned										
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	588,199,662								588,199,662	
18. Amount Incurred for Provision of Health Care Services	595,723,368								595,723,368	

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Individually listed claims unpaid						
0199999 - Individually listed claims unpaid	36,168,029	5,156,138	1,669,849	629,541	724,266	44,347,823
0499999 - Subtotals	36,168,029	5,156,138	1,669,849	629,541	724,266	44,347,823
0799999 - Total claims unpaid						44,347,823
0899999 - Accrued medical incentive pool and bonus amounts						2,028,629

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 plus 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	27,567,891	398,713,728		31,765,198	27,567,891	26,256,022
8. Other health						
9. Health subtotal (Line 1 to Line 8)	27,567,891	398,713,728		31,765,198	27,567,891	26,256,022
10. Health care receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts	2,246,492		341,129	1,687,500	2,587,621	2,587,621
13. Totals (Line 9 minus Line 10 plus Line 11 plus Line 12)	29,814,383	398,713,728	341,129	33,452,698	30,155,512	28,843,643

(a) Excludes \$loans or advances to providers not yet expensed.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A) Accounting Practices

MCNA Insurance Company (“Company”) prepares its financial statements in accordance with accounting and reporting practices prescribed by the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, which was adopted by the Texas Department of Insurance, and constitutes what is referred to as the Statutory Basis of Accounting. Such accounting and reporting is significantly different than generally accepted accounting principles (GAAP) in the United States; and therefore, the accompanying financial statements do not intend to present financial position, results of operations, and cash flows in accordance with GAAP.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Texas is shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) MCNA Insurance Company state basis				\$ 11,275,833	\$ 17,009,736
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: None					
(3) State Permitted Practices that increase/(decrease) NAIC SAP: None					
(4) NAIC SAP (1-2-3=4)				\$ 11,275,833	\$ 17,009,736
SURPLUS					
(5) MCNA Insurance Company state basis				\$ 112,024,165	\$ 125,082,037
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: None					
(7) State Permitted Practices that increase/(decrease) NAIC SAP: None					
(8) NAIC SAP (5-6-7=8)				\$ 112,024,165	\$ 125,082,037

B) Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions concerning dental costs, investment valuation and other factors that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the statement of admitted assets, liabilities, capital and surplus, and the revenues and expenses for the nine months ended September 30, 2018. Such estimates are based on historical experience and other assumptions that are considered appropriate in the circumstances. However, actual results could differ from those estimates and these differences may be material.

NOTES TO FINANCIAL STATEMENTS

C) Accounting Policies

Based on the Company's contracts with various Medicaid agencies, capitation fees are recorded as revenue except for those deemed to be advances under the terms of the contract. Advance premiums are reflected as unearned and recognized as revenue when earned. For the nine months ended September 30, 2018, the Company recorded net capitation fees of \$546,084,830, inclusive of reinsurance experience refund.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments consist of liquid investments, with maturity dates of one year or less at the time of acquisition and are stated at fair market value.
- (2) Bonds are stated at fair market value.
- (3) The Company does not have any investments in common stocks.
- (4) Preferred stocks are stated at fair market value.
- (5) The Company does not have any investments in mortgage loans on real estate.
- (6) The Company does not have any investments in loan-backed securities.
- (7) The Company does not have any investments in subsidiaries, controlled and affiliated entities.
- (8) The Company does not have any investments in joint ventures, partnerships, and limited liability companies.
- (9) The Company does not have any investments in derivatives.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) The Company records the cost of services provided by the dentists and specialists in its network based on actual fee-for-service claims submitted, plus an estimate for the cost of services incurred but not reported. For the nine months ended September 30, 2018, the Company's cost for dental services was \$595,723,368 before amounts ceded to reinsurer of \$162,245,072.

At Year end, the Company's estimate for the cost of dental services incurred but not reported is computed by an independent actuary using standard actuarial methodologies. While management believes the amounts for such liabilities are adequate, these liabilities are based on assumptions and estimates with the ultimate liability being in excess of or less than the amount provided.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company does not have any pharmaceutical rebates receivable.

D) Going Concern – Not applicable

NOTES TO FINANCIAL STATEMENTS

2. Accounting Changes and Correction of Errors

This note is not applicable to the Company.

3. Business Combinations and Goodwill

This note is not applicable to the Company.

4. Discontinued Operations

This note is not applicable to the Company.

5. Investments

- A. The Company does not have any Mortgage loans, including Mezzanine Real Estate Loans.
- B. The Company does not have any Debt Restructuring.
- C. The Company does not have any Reverse Mortgages.
- D. The Company does not have any Loan-Backed Securities.
- E. The Company does not have any Repurchase Agreements and/or Securities Lending Transactions.
- F. The Company does not own any Repurchase Agreements Transactions Accounted for as Secured Borrowing.
- G. The Company does not own any Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing.
- H. The Company does not own any Repurchase Agreements Transactions Accounted for as a Sale.
- I. The Company does not own any Reverse Repurchase Agreements Transactions Accounted for as a Sale.
- J. The Company does not own any Real Estate.
- K. The Company does not have any investments in low-income housing tax credits (LIHTC).
- L. Restricted Assets

The Company normally maintains US Treasury Notes in the amount of \$2,397,568, held by the Texas Treasury Safekeeping Trust, for the restricted benefit of the Commissioner of Insurance for the State of Texas. This amount is included in total admitted assets and comprises 1.40% of total admitted assets.

STATEMENT AS OF SEPTEMBER 30 , 2018 OF THE MCNA INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

The company also maintains approximately \$300,000 restricted assets as listed below.

(1) Restricted Assets (Including Pledged)

		1	2	3	4	5	6	7
	Restricted Asset Category	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nondmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted in Total Admitted Assets (b)
a.	Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b.	Collateral held under security leding agreements	-	-	-	-	-	-	-
c.	Subject to repurchase agreements	-	-	-	-	-	-	-
d.	Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e.	Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f.	Subject to dollar reservse repurchase agreements	-	-	-	-	-	-	-
g.	Placed under option contracts	-	-	-	-	-	-	-
h.	restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i.	FHLB capital stock							
j.	On deposit with states	2,397,568	2,400,000	(2,432)	-	2,397,568	1.3%	1.4%
k.	On deposit with other regulatory bodies	-	-	-	-	-		
l.	Pledged as collateral to FHLB (including assets backing funding agreements)							
m.	Pledged as collateral not captured in other categories	-	-	-	-	-		
n.	Other restricted assets	300,141	300,281	(140)	-	300,141	0.2%	0.2%
o.	Total Restricted Assets	\$ 2,697,709	\$ 2,700,281	\$ (2,572)	\$ -	\$ 2,697,709	1.5%	1.6%
	(a) Column 1 divided by Asset Page, Column 1, Line 28							
	(b) Column 5 divided by Asset Page, Column 3, Line 28							

NOTES TO FINANCIAL STATEMENTS

(2) This note is not applicable to the Company.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics. Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

	1	2	3	4	5	6
Description of Assets	Total Gross Restricted from Current Year	Total Gross Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
Certificate of Deposit for Arkansas	\$ 100,000	\$ 100,000	-	\$ 100,000	0.056%	0.059%
U.S. Treasury Notes for Nevada	\$ 200,141	\$ 200,281	(140)	\$ 200,141	0.112%	0.118%
	-	-	-	-		
Total	\$ 300,141	\$ 300,281	\$ (140)	\$ 300,141	0.168%	0.177%

(4) This note is not applicable to the Company

M. The Company does not have working capital finance investments.

N. The Company does not have any Offsetting and Netting Assets and Liabilities

O. The Company does not have any Structured Notes.

P. The Company does not have any 5* Securities.

Q. The Company does not have any Short Sales.

R. The Company does not have any Prepayment Penalty and Acceleration Fees.

6. Joint Ventures, Partnerships and Limited Liability Companies

This note is not applicable to the Company.

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due are excluded (nonadmitted) from surplus.

B. The Company did not exclude any investment income.

8. Derivative Instruments

This note is not applicable to the Company.

9. Income Taxes

The Company is a wholly-owned subsidiary of MCNA Health Care Holdings, LLC. Qualified S Corporation Subsidiary (Q Sub) elections have been filed for the Company and its affiliates, and accepted by Internal Revenue Service. Accordingly, the Company and its affiliates Managed Care of North America, Inc. and MCNA Systems Corp, which are considered disregarded entities for Federal income tax purposes, will file a consolidated return with their common parent. Under provisions of Subchapter S of the Internal Revenue Code, in lieu of corporate income tax expense or benefit, the stockholder(s) of an S Corporation report their proportionate share of the Company’s taxable

NOTES TO FINANCIAL STATEMENTS

income or loss. Additionally, an S Corporation is normally not subject to state taxes or state filing requirements. Therefore, no provision or liability for federal or state income tax expense nor any deferred tax benefit or liability is included in the statutory financial statements. No elections have been made regarding admitting deferred tax assets nor has there been any deferred income tax effect on the Company's capital and surplus.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. The Company is affiliated with Managed Care of North America, Inc. through their common parent MCNA Health Care Holdings, LLC.
- B. The Company has approved management services agreements with parent MCNA Health Care Holdings, LLC. The Company also entered into dental administrative services agreements with its affiliate, Managed Care of North America, Inc., for third-party administration as well as other delegated services, based upon requirements of each line of business.
- C. During the nine months ended September 30, 2018, the Company paid approximately \$10,500,000 in fees to its parent under the aforementioned management services agreement, based on a percentage of revenue.

For the nine months ended September 30, 2018, the Company paid approximately \$46,200,000, net of allocations, for dental administrative service fees to its affiliate, based on per-member per-month (PMPM) charges.

There were no changes in terms to previously existing agreements from that used in the preceding period. Separate agreements will cover services required for the Company's most recent lines of business.

- D. As of September 30, 2018, we had a balance due from related parties of approximately \$450,000, which was for payment of various operating expenses advanced through the reporting period.
- E. The Company has no guarantees or undertakings, written or otherwise.
- F. The Company's only related-party agreements are those that are discussed above in Section B and C of this note.
- G. All outstanding shares of the Company are owned by its parent, MCNA Health Care Holdings LLC, which is domiciled in the State of Florida.
- H. The Company has no investment in any upstream entity, either directly or indirectly.
- I. The Company has no investments in Subsidiary, Controlled or Affiliated (SCA) entities.
- J. The Company has no investments in any SCA entity, impaired or otherwise.
- K. The Company has no investments in a foreign insurance subsidiary.
- L. The Company has no investments in a downstream non-insurance holding company.

NOTES TO FINANCIAL STATEMENTS

M. The Company has no investments in Subsidiary, Controlled or Affiliated (SCA) entities.

N. The Company has no investments in an insurance SCA.

11. Debt

This note is not applicable to the Company.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. The Company does not have a defined benefit plan.

B. This note is not applicable to the Company.

C. This note is not applicable to the Company.

D. This note is not applicable to the Company.

E. The Company's employees participate in a 401(k) "safe harbor" plan ("the Plan") established during 2012 and sponsored by the parent company (MCNA Health Care Holdings, LLC). Eligible employees are permitted to defer compensation up to IRS limitations based on their age at the end of each plan year. The Plan offers a "safe harbor" matching contribution equal to the minimum of the sum of 100% of the first 3% of annual compensation plus an additional 50% of the next 2% based on amount of compensation the employee contributes to the Plan. The Company has expensed an estimated \$17,000 associated with the anticipated matching portion of the Plan for year ending December 31, 2018.

F. The Company does not have multiemployer plans.

G. See Note 12E above.

H. The Company's post employment benefits for compensated absences are immaterial.

I. Not applicable to the Company.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) The Company has 1,000,000 common shares authorized and 700,000 shares issued and outstanding with capital stock of \$2,000,000.

(2) The Company has no preferred shares outstanding.

(3) Pursuant to Texas Insurance Code Section 403.001, the Company may not pay a dividend except from surplus profits arising from the business.

(4) On August 30, 2018 the Company, with acknowledgment from Texas Department of Insurance, issued a dividend payment of \$15,000,000 to its parent.

(5)

NOTES TO FINANCIAL STATEMENTS

- (5) The Company may make distributions to its parent to pay income taxes, if any, arising out of pass-through income. Distributions in excess of those necessary for taxes require approval of reinsurer and Holding Company (Parent) lender.
- (6) There are no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) Not applicable.
- (8) There are no amounts of stock held for special purposes.
- (9) Not applicable.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was approximately \$2,700,000 for unrealized losses as of September 30, 2018.
- (11) The Company has no surplus notes.
- (12) Not applicable.
- (13) Not applicable.

14. Liabilities, Contingencies, and Assessments

- A. The Company has no material contingent liabilities.
- B. The Company has not been advised of any assessments other than that described in 14 F below.
- C. The Company has no gain contingencies. See 14 F below
- D. The Company has no extra contractual obligations or bad faith losses stemming from lawsuits.
- E. The Company has no joint and several liabilities.
- F. In addition to the Company's dependency on its major State Medicaid contracts, it is a regulated entity under Texas, Louisiana, Iowa, Idaho, Nebraska, Arkansas, and Utah Insurance Codes, where we currently operate, and as such is subject to, among other things, changes in initiatives to increase healthcare regulations and restrict insurance pricing and the application of underwriting standards.

Data gathering and audit testing has started for the Agency's SFY 2016 year review. Final report and audit findings, including Company responses with disagreement where applicable, have been submitted to the agency for SFY 2015. The Agency's OIG is in process of collecting and reviewing data for the period SFY 2017 through Q2 2018. There is no material pending or threatened legal action against the Company. The likelihood or outcome of current or future suits cannot be accurately predicted. In addition, the potential for increased liability for negligence arising from claim adjudication, along with increased litigation that has accompanied negative publicity and public perception of the industry, adds to this uncertainty. Although there are no assets considered to be impaired, such legal actions or

NOTES TO FINANCIAL STATEMENTS

government audits and investigations could have an adverse effect on the Company’s financial position, results of operations or cash flows.

15. Leases

A. Lessee Operating Lease

- (1) The Company has non-cancelable leases for office facilities in San Antonio, Texas; Metarie, Louisiana; Lincoln, Nebraska; and Little Rock, Arkansas that provide for base monthly rent with annual increases plus pro-rata share of common area maintenance through April 2022 for the San Antonio, Lincoln, and Little Rock leases and through 2019 for the Metarie lease. Rent expense for the nine months ended September 30, 2018, and September 30, 2017 was approximately \$670,000, and \$592,000 respectively.
- (2) At January 1, 2019, the minimum aggregate rental commitments under these leases are as follows:

<u>Years Ending December 31,</u>	<u>Operating Leases</u>
2019	910,848
2020	871,063
2021	895,863
2022	346,405
2023	-
	<u><u>\$ 3,024,179</u></u>

B. The Company has no lessor arrangements.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation’s insured limit of \$250,000. The Company generally limits exposure by placing deposits with several quality financial institutions. However, at September 30, 2018 such cash balances exceeded insured amounts of cash at the Company’s primary banks and investment accounts by approximately \$19,300,000 and \$3,300,000, respectively.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

This note is not applicable to the Company.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plan

This note is not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

This note is not applicable to the Company.

20. Fair Value Measurements

Generally accepted accounting principles require that certain assets and liabilities be measured at fair market value while allowing the option to carry certain other assets and liabilities that were not previously measured at fair value at their previous carrying value. In this connection, fair value measurements establish a hierarchy to prioritize the computation of fair value. Such hierarchy consists of a) - valuations based on quoted prices in active markets for identical assets or liabilities (Level 1), b) - valuations based on observable quoted prices for similar assets and liabilities in active markets (Level 2), and c) - valuations based on inputs that are unobservable and are supported by little or no market activity, therefore, requiring management's best estimate of what market participants would use as fair value (Level 3). The Company valued all its investments at September 30, 2018 as Level 1.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

A.

- (1) Fair Value at Reporting Date
- (2) The Company had no Level 3 investments. The Company had no transfers into or out of Level 3 during the nine months ended September 30, 2018.
- (3) The Company had no Level 2 or Level 3 investments.

(1) Description		(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at Fair Value					
Perpetual Preferred Stock					
	Industrial and Misc	2,532,369	-	-	2,532,369
	Parent, Subsidiaries & Affiliates	-	-	-	-
	Total Perpetual Preferred Stock	2,532,369	-	-	2,532,369
Bonds					
	U. S. Government	30,254,385	-	-	30,254,385
	Industrial and Misc	82,567,229	-	-	82,567,229
	Hybrid Securities	-	-	-	-
	Parent, Subsidiaries & Affiliates	-	-	-	-
	Total Bonds	112,821,614	-	-	112,821,614
Common Stock					
	Industrial and Misc	-	-	-	-
	Parent, Subsidiaries & Affiliates	-	-	-	-
	Total Common Stock	-	-	-	-
Derivative assets					
	Interest rate contracts	-	-	-	-
	Foreign exchange contracts	-	-	-	-
	Credit contracts	-	-	-	-
	Commodity futures contracts	-	-	-	-
	Commodity forward contracts	-	-	-	-
	Total Derivatives	-	-	-	-
Separate account assets		-			
Total Assets at Fair Value		115,353,983	-	-	115,353,983
b. Liabilities at Fair Value					
Derivative liabilities					
	Derivative liabilities	-	-	-	-
	Total Derivatives	-	-	-	-
Total Liabilities at Fair Value		-	-	-	-

- (4) The Company had no derivative assets and liabilities during the nine months ended September 30, 2018.

NOTES TO FINANCIAL STATEMENTS

B. Not required.

C. Fair Value Level

Type of Financial Investment	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 112,821,614	\$ 112,821,614	\$ 112,821,614	-	-	-
Common Stock	-	-	-	-	-	-
Perpetual Preferred Stock	2,532,369	2,532,369	2,532,369	-	-	-
Mortgage Loans	-	-	-	-	-	-

D. This note is not applicable to the Company

21. Other Items

- A. The Company has no unusual or infrequent items report.
- B. The Company has no troubled debt restructuring.
- C. Other Disclosures – none
- D. The Company has not had any business interruption insurance recoveries.
- E. The Company has not been involved in state transferable tax credits.
- F. The Company has not had any subprime-mortgage-related risk exposure.
- G. The Company has no retained assets.
- H. The Company has no Insurance-Linked Securities (ILS).

22. Events Subsequent

Type I – Recognized Subsequent Events:
Subsequent events have been considered through November 12, 2018 for the statutory statement issued on November 13, 2018.

There were no Type I subsequent events.

Type II – Non-recognized Subsequent Events:

Subsequent events have been considered through November 12, 2018 for the statutory statement issued on November 13, 2018.

There were no Type II subsequent events

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

		Current Year	Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	Yes (X) No ()	
B.	ACA fee assessment payable for the upcoming year	\$ 15,640,893	\$ -
C.	ACA fee assessment paid	\$ -	\$ -
D.	Premium written subject to ACA 9010 assessment	\$ 816,810,206	\$ -
E.	Total Adjusted Capital before surplus adjustment	\$ 125,082,037	
	(Five-Year Historical Line 14)		
F.	Total Adjusted Capital after surplus adjustment	\$ 109,441,144	
	(Five-Year Historical Line 14 minus 22B above)		
G.	Authorized Control Level	\$ -	
	(Five-Year Historical Line 15)		
H.	Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO)?	Yes () No (X)	

23. Reinsurance

In February 2012, the Company signed a Risk Premium Reinsurance Agreement with a reinsurance company (“the Reinsurer”). The agreement indemnifies the Company for an agreed upon quota share of dental insurance risk assumed by the Reinsurer under the terms and conditions as set forth in its contracts. During the nine months ended September 30, 2018, the Company ceded to the reinsurer premiums of \$184,682,042 and claims costs of \$162,245,072. After its experience refund, the Company incurred and paid \$1,179,425 of net reinsurance expense.

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

Not Applicable

- (2) Have any new agreements been executed or existing agreements amended, since January 1st of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

B. Not applicable to the Company.

C. Not applicable to the Company.

D. Not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

In connection with the Company's contract with HHSC, it is obligated to pay an Experience Rebate if net income before taxes is greater than a graduated percentage of total revenues for any state fiscal year period. Pre-tax net income to revenues less than 3% is maintained 100% by the Company, with each increasing percentage lowering the Company's share and increasing HHSC share, up to 12%. All pre-tax net income above 12% is rebated 100% to the agency. As of September 30, 2018, the Company has recorded zero experience rebate liability due to the anticipation of not having a financial obligation for the most recent State Fiscal Year.

- A. Not applicable to the Company.
- B. Not applicable to the Company.
- C. Not applicable to the Company.
- D. Not applicable to the Company.
- E. See Note 14 F and Note 22.

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Net incurred claims reserve was \$26,256,022 as of December 31, 2017. During the nine months ended September 30, 2018, \$27,567,891 has been paid for incurred claims and claim adjustment expenses attributable to prior years. As a result of re-estimation of unpaid claims and claim adjustment expenses, no reserves remain for prior years. There have been no additional premiums or return premiums accrued as a result of prior year effects. Accordingly, there was \$1,311,869 of unfavorable prior-year's reserves applied during 2018. Original estimates are adjusted as additional information becomes known regarding individual claims and the market in which the Company operates.
- B. The Company had no significant changes in methodologies or assumptions.

26. Intercompany Pooling Arrangements

The Company is not part of a group of affiliated insurers that utilizes a pooling arrangement.

27. Structured Settlements

This note is not applicable to the Company.

28. Health Care Receivables

This note is not applicable to the Company.

29. Participating Policies

The Company did not have any participating policies.

NOTES TO FINANCIAL STATEMENTS

30. Premium Deficiency Reserves

This Company did not have any premium deficiency reserves.

31. Anticipated Salvage and Subrogation

There is no salvage or subrogation to disclose.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes () No (X)
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes () No ()
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes () No (X)
- 2.2

If yes, date of change:

.....
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes (X) No ()

If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes () No (X)
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.

.....
- 3.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes () No ()
- 3.5

If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes () No (X)
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

<div>1</div> <div>Name of Entity</div>	<div>2</div> <div>NAIC Company Code</div>	<div>3</div> <div>State of Domicile</div>
--	---	---

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes () No (X) N/A ()

If yes, attach an explanation
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2015
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

01/04/2017
- 6.4

By what department or departments?

Texas Department of Insurance
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes () No () N/A (X)
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes () No () N/A (X)
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes () No (X)
- 7.2

If yes, give full information

.....
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes () No (X)
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes () No (X)
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [[i. e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

<div>1</div> <div>Affiliate Name</div>	<div>2</div> <div>Location (City, State)</div>	<div>3</div> <div>FRB</div>	<div>4</div> <div>OCC</div>	<div>5</div> <div>FDIC</div>	<div>6</div> <div>SEC</div>
--	--	-----------------------------	-----------------------------	------------------------------	-----------------------------

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes (X) No ()

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.
- 9.11

If the response to 9.1 is No, please explain:

.....

.....
- 9.2

Has the code of ethics for senior managers been amended?

Yes () No (X)
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....

.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes () No (X)
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

.....

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes (X) No ()
- 10.2 If yes, indicate the amounts receivable from parent included in the Page 2 amount:
- \$ 452,368

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person?
(Exclude securities under securities lending agreements.)
- Yes () No (X)

- 11.2 If yes, give full and complete information relating thereto:
-

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:
- \$
13. Amount of real estate and mortgages held in short-term investments:
- \$

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
- Yes () No (X)

- 14.2 If yes, please complete the following:

	¹ Prior Year-End Book/ Adjusted Carrying Value	² Current Quarter Book/ Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Line 14.21 to Line 14.26)	\$	\$
14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above	\$	\$

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
- Yes () No (X)

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
- Yes () No ()

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
- \$
- 16.2 Total book adusted /carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
- \$
- 16.3 Total payable for securities lending reported on the liability page
- \$

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
- Yes (X) No ()

- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

¹ Name of Custodian (s)	² Custodian Address
---------------------------------------	-----------------------------------

RBC Advisors Services	200 Vessey Street, New York, NY 10281
Morgan Stanley	100 North Tampa Street, Suite 3000, Tampa, FL 33602
Merrill Lynch	2049 Century Park E 11/12 FL, Century City, CA 90067

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

¹ Name(s)	² Location(s)	³ Complete Explanation(s)
-------------------------	-----------------------------	---

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
- Yes () No (X)

- 17.4 If yes, give full and complete information relating thereto:

¹ Old Custodian	² New Custodian	³ Date of Change	⁴ Reason
-------------------------------	-------------------------------	--------------------------------	------------------------

- 17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such: ["...that have access to the investment accounts"; "...handle securities"]

¹ Name of Firm or Individual	² Affiliation
--	-----------------------------

Gables Capital Management, Inc	U
Morgan Stanley	U
Merrill Lynch	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets?
- Yes (X) No ()

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?
- Yes (X) No ()

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated) , provide the information for the table below .

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
--	------------------------------------	---------------------------------------	----------------------	---

109608	Gables Capital Management , Inc			
.....	Morgan Stanley			
.....	Merrill Lynch			

18. 1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes (X) No ()

18. 2 If no, list exceptions:

.....

19. By self-designating 5*GI securities , the reporting entity is certifying the following elements for each self-designated 5*GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist .

b. Issuer or obligor is current on all contracted interest and principal payments .

c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes () No (X)

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1. Operating Percentages:
- 1.1 A&H loss percent

79.1 %
- 1.2 A&H cost containment percent

%
- 1.3 A&H expense percent excluding cost containment expenses

19.1 %
- 2.1 Do you act as a custodian for health savings accounts?

Yes () No (X)
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$
- 2.3 Do you act as an administrator for health savings accounts?

Yes () No (X)
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$
3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes (X) No ()
- 3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes () No (X)

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Life & Annuity - Affiliates	AA-3160036	03/01/2012	RGA REINS CO (BARBADOS) LTD	BRB	QA/A/I			
0199998 - Life & Annuity - Affiliates								
0299998 - Life & Annuity - Non-Affiliates								
0399998 - Accident & Health - Affiliates								
0499998 - Accident & Health - Non-Affiliates								
0599998 - Property/Casualty - Affiliates								
0699998 - Property/Casualty - Non-Affiliates								

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

			1	Direct Business Only							
			2	3	4	5	6	7	8	9	
States, Etc.			Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama	AL	L								
2.	Alaska	AK	N								
3.	Arizona	AZ	N								
4.	Arkansas	AR	L			50,672,773				50,672,773	
5.	California	CA	L								
6.	Colorado	CO	N								
7.	Connecticut	CT	N								
8.	Delaware	DE	N								
9.	District of Columbia	DC	N								
10.	Florida	FL	N								
11.	Georgia	GA	N								
12.	Hawaii	HI	N								
13.	Idaho	ID	L			42,159,556				42,159,556	
14.	Illinois	IL	L								
15.	Indiana	IN	N								
16.	Iowa	IA	L			14,760,557				14,760,557	
17.	Kansas	KS	N								
18.	Kentucky	KY	N								
19.	Louisiana	LA	L			128,981,172				128,981,172	
20.	Maine	ME	N								
21.	Maryland	MD	N								
22.	Massachusetts	MA	N								
23.	Michigan	MI	L								
24.	Minnesota	MN	N								
25.	Mississippi	MS	N								
26.	Missouri	MO	L								
27.	Montana	MT	N								
28.	Nebraska	NE	L			41,367,648				41,367,648	
29.	Nevada	NV	L								
30.	New Hampshire	NH	N								
31.	New Jersey	NJ	N								
32.	New Mexico	NM	N								
33.	New York	NY	N								
34.	North Carolina	NC	N								
35.	North Dakota	ND	N								
36.	Ohio	OH	N								
37.	Oklahoma	OK	L								
38.	Oregon	OR	N								
39.	Pennsylvania	PA	N								
40.	Rhode Island	RI	N								
41.	South Carolina	SC	N								
42.	South Dakota	SD	N								
43.	Tennessee	TN	N								
44.	Texas	TX	L			430,765,290				430,765,290	
45.	Utah	UT	L			802,331				802,331	
46.	Vermont	VT	N								
47.	Virginia	VA	N								
48.	Washington	WA	L								
49.	West Virginia	WV	N								
50.	Wisconsin	WI	L								
51.	Wyoming	WY	N								
52.	American Samoa	AS	N								
53.	Guam	GU	N								
54.	Puerto Rico	PR	N								
55.	U.S. Virgin Islands	VI	N								
56.	Northern Mariana Islands	MP	N								
57.	Canada	CAN	N								
58.	Aggregate Other Alien	OT	X X X								
59.	Subtotal		X X X			709,509,327				709,509,327	
60.	Reporting entity contributions for Employee Benefit Plans		X X X								
61.	Total (Direct Business)		X X X			709,509,327				709,509,327	
DETAILS OF WRITE-INS											
58001.			X X X								
58002.			X X X								
58003.			X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page		X X X								
58999.	Total (Line 58001 through Line 58003 plus Line 58998) (Line 58 above)		X X X								

(a) Active Status Counts:

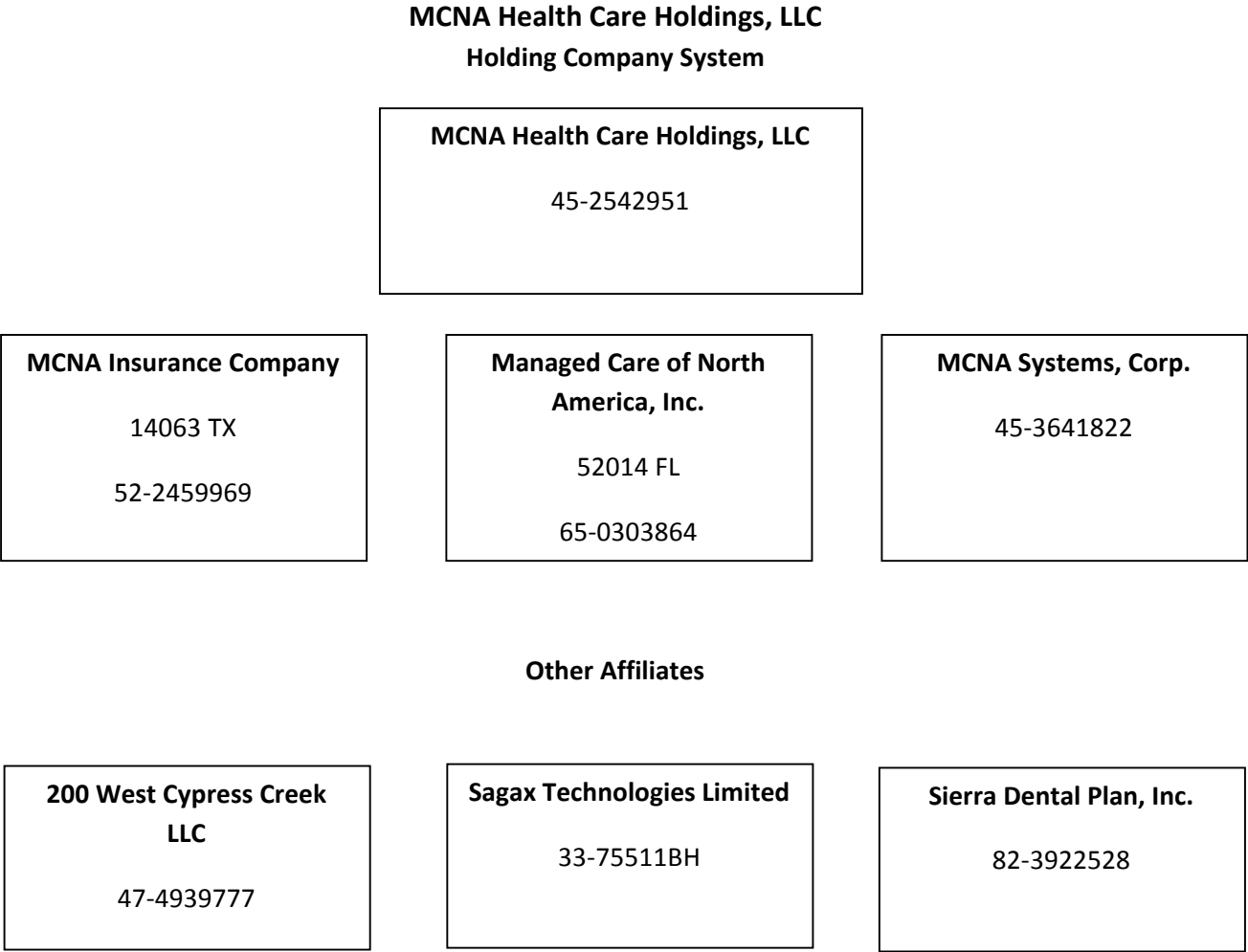
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state
N - None of the above - Not allowed to write business in the state

16
41

R - Registered - Non-domiciled RRGs
Q - Qualified - Qualified or accredited reinsurer

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES
OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U. S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/ Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity (ies) / Person (s)	Is an SCA Filing Required? (Y/N)	*
4730	MCNA Group		45-2542951				MCNA Health Care Holdings, LLC	FL	UDP	Jeffrey Feingold, DDS	Ownership	100.000	Jeffrey Feingold, DDS	N	
	MCNA Group		45-3641822				MCNA Systems Corp	FL	DS	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	
4730	MCNA Group	52014	65-0303864				Managed Care of North America, Inc	FL	DS	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	
4730	MCNA Group	14063	52-2459969				MCNA INS CO	TX	RE	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	

Asterisk	Explanation
----------	-------------

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing . However , in the event that your company does not transact the type of business for which the special report must be filed , your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below . If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions .

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

Response

NO

Explanation:

Bar Code:

Document Identifier 365:



SCHEDULE A - VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4+5+6-7-8-9)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage fees		
9. Total foreign exchange change in book value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	108,889,190	82,753,269
2. Cost of bonds and stocks acquired	40,477,191	59,254,321
3. Accrual of discount	35,148	35,796
4. Unrealized valuation increase (decrease)	(2,472,199)	406,573
5. Total gain (loss) on disposals	(501,772)	(172,590)
6. Deduct consideration for bonds and stocks disposed of	30,626,008	32,769,472
7. Deduct amortization of premium	465,271	618,707
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	17,702	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	115,353,983	108,889,190
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	115,353,983	108,889,190

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	73,201,850	5,137,761	13,529,155	12,550	76,804,990	73,201,850	64,823,006	73,894,685
2. NAIC 2 (a)	43,277,340	9,304,081	3,576,762	168,980	35,712,986	43,277,340	49,173,639	33,396,703
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	116,479,190	14,441,842	17,105,917	181,530	112,517,976	116,479,190	113,996,645	107,291,388
PREFERRED STOCK								
8. NAIC 1	987,936			7,747	496,634	987,936	995,683	659,778
9. NAIC 2	1,595,337			(58,649)	1,386,211	1,595,337	1,536,688	1,093,270
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	2,583,273			(50,903)	1,882,845	2,583,273	2,532,370	1,753,048
15. Total Bonds & Preferred Stock	119,062,463	14,441,842	17,105,917	130,627	114,400,821	119,062,463	116,529,015	109,044,436

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$ 653,576 ; NAIC 2 \$ 521,455 ; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	1,175,031	X X X	1,180,791	4,693	4,275

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year	155,245	1,689,323
2. Cost of short-term investments acquired	9,476,408	798,903
3. Accrual of discount	36,315	9,302
4. Unrealized valuation increase (decrease)	(289)	712
5. Total gain (loss) on disposals	(1,094)	(1,088)
6. Deduct consideration received on disposals	8,484,568	2,331,492
7. Deduct amortization of premium	6,986	10,417
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9)	1,175,031	155,245
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	1,175,031	155,245

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	
2.	Cost Paid/ (Consideration Received) on additions	
3.	Unrealized Valuation increase/ (decrease)	
4.	Total gain (loss) on termination recognized	NONE
5.	Considerations received/ (paid) on terminations	
6.	Amortization	
7.	Adjustment to the Book/Adjusted Carrying Value	
8.	Total foreign exchange change in Book/Adjusted Carrying Value	
9.	Book/Adjusted Carrying Value at End of Current Period (Line 1 plus Line 2 plus Line 3 plus Line 4 minus Line 5 plus Line 6 plus Line 7 plus Line 8)	
10.	Deduct nonadmitted assets	
11.	Statement value at end of current period (Line 9 minus Line 10)	

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)	
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)	
3.1	Add:	
	Change in variation margin on open contracts - Highly Effective Hedges	
3.11	Section 1, Column 15, current year to date minus	
3.12	Section 1, Column 15, prior year	
	Change in variation margin on open contracts - All Other	
3.13	Section 1, Column 18, current year to date minus	
3.14	Section 1, Column 18, prior year	
3.2	Add:	NONE
	Change in adjustment to basis of hedged item	
3.21	Section 1, Column 17, current year to date minus	
3.22	Section 1, Column 17, prior year	
	Change in amount recognized	
3.23	Section 1, Column 19, current year to date minus	
3.24	Section 1, Column 19, prior year	
3.3	Subtotal (Line 3.1 minus Line 3.2)	
4.1	Cumulative variation margin on terminated contracts during the year	
4.2	Less:	
	Amount used to adjust basis of hedged item	
4.21		
	Amount recognized	
4.22		
4.3	Subtotal (Line 4.1 minus Line 4.2)	
5.	Dispositions gains (losses) on contracts terminated in prior year:	
5.1	Total gain (loss) recognized for terminations in prior year	
5.2	Total gain (loss) adjusted into the hedged item(s) for terminations in prior year	
6.	Book/Adjusted carrying value at end of current period (Line 1 plus Line 2 plus Line 3.3 minus Line 4.3 minus Line 5.1 minus Line 5.2)	
7.	Deduct total nonadmitted amounts	
8.	Statement value at end of current period (Line 6 minus Line 7)	

Page SI05

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open
NONE

Page SI06

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open
NONE

Page SI07

Schedule DB, Verification
NONE

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,649,030	
2. Cost of cash equivalents acquired	64,577,422	100,026,587
3. Accrual of discount	12,780	8,089
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(9,669)	(185)
6. Deduct consideration received on disposals	61,968,146	98,385,462
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	4,261,417	1,649,030
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,261,417	1,649,030

Page E01

Sch. A, Pt. 2, Real Estate Acquired
NONE

Sch. A, Pt. 3, Real Estate Disposed
NONE

Page E02

Schedule B, Part 2, Mortgage Loans Acquired
NONE

Schedule B, Part 3, Mortgage Loans Disposed
NONE

Page E03

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired
NONE

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed
NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions									
3136AG-SU-7	FNR 13104A JA - CMO/RMBS		07/25/2018	Morgan Stanley		366,218	366,905.90	887	1
3136AG-UB-6	FNR 13100D DH - CMO/RMBS		07/25/2018	Morgan Stanley		211,590	212,313.82	513	1
3137AJ-BR-4	FHR 3958D DL - CMO/RMBS		08/15/2018	Morgan Stanley		151,895	151,683.18	240	1
3137AJ-YX-6	FHR 3977C AD - CMO/RMBS		08/15/2018	Morgan Stanley		74,337	74,244.04	118	1
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					804,040	805,146.94	1,758	
Bonds - Industrial and Miscellaneous (Unaffiliated)									
00507V-AL-3	ACTIVISION BLIZZARD INC		08/09/2018	Morgan Stanley		111,535	115,000.00	482	2FE
035242-AJ-5	ANHEUSER-BUSCH INBEV FINANCE INC		08/06/2018	Morgan Stanley		143,467	145,000.00	75	1FE
04010L-AU-7	ARES CAPITAL CORP		09/14/2018	Unknown		336,719	350,000.00	1,259	2FE
042735-BC-3	ARROW ELECTRONICS INC		07/19/2018	Unknown		360,684	352,000.00	6,116	2FE
052769-AD-8	AUTODESK INC		07/18/2018	Unknown		306,180	300,000.00	1,240	2FE
05541T-AH-4	BGC PARTNERS INC		09/04/2018	Unknown		361,282	350,000.00	4,933	2FE
05541T-AK-7	BGC PARTNERS INC		09/24/2018	Unknown		426,093	425,000.00	3,934	2FE
06051G-GY-9	BANK OF AMERICA CORP		09/04/2018	Morgan Stanley		172,365	175,000.00	572	1FE
093662-AE-4	BLOCK FINANCIAL LLC		07/23/2018	Unknown		519,770	500,000.00	6,417	2FE
127387-AL-2	CADENCE DESIGN SYSTEMS INC		07/20/2018	Unknown		509,365	500,000.00	6,016	2FE
22966R-AB-2	CUBESMART LP		08/08/2018	Unknown		584,616	570,000.00	3,810	2FE
337915-AA-0	FIRSTMERIT CORP		07/25/2018	Unknown		800,979	790,000.00	16,514	2FE
38150A-AS-4	GOLDMAN SACHS GROUP INC SER N MED TERM N		07/31/2018	Unknown		780,030	780,000.00		1FE
44106M-AQ-5	HOSPITALITY PROPERTIES TRUST		09/07/2018	Unknown		469,454	455,000.00	1,643	2FE
44106M-AW-2	HOSPITALITY PROPERTIES TRUST		09/07/2018	Unknown		348,823	350,000.00	1,251	2FE
472319-AL-6	JEFFERIES GROUP INC		09/27/2018	Unknown		415,866	400,000.00	4,043	2FE
482480-AD-2	KLA-TENCOR CORP		07/11/2018	Unknown		306,699	300,000.00	2,441	2FE
521865-AV-7	LEAR CORP		08/08/2018	Unknown		780,255	750,000.00	16,237	2FE
53944Y-AA-1	LLOYDS BANKING GROUP PLC		07/11/2018	Unknown		498,370	500,000.00	4,313	2FE
57385L-AA-6	MARVELL TECHNOLOGY GROUP LTD		08/22/2018	Unknown		201,723	200,000.00	1,447	2FE
610335-20-0	MONROE CAPITAL CORP		09/06/2018	Unknown		750,030	750,000.00		Z
615369-AG-0	MOODY'S CORP		08/09/2018	Morgan Stanley		225,584	230,000.00	1,019	2FE
785592-AE-6	SABINE PASS LIQUEFACTION LLC		09/21/2018	Morgan Stanley		280,681	270,000.00	2,278	2FE
80349A-50-5	SARATOGA INVESTMENT CORP		08/24/2018	Unknown		408,780	408,750.00		Z
875484-AH-0	TANGER PROPERTIES LIMITED PARTNERSHIP		08/10/2018	Unknown		436,472	450,000.00	3,375	2FE
94973V-BJ-5	ANTHEM INC		08/22/2018	Unknown		494,665	500,000.00	389	2FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					11,030,487	10,915,750.00	89,804	
8399997	Subtotal - Bonds - Part 3					11,834,527	11,720,896.94	91,562	
8399999	Subtotal - Bonds					11,834,527	11,720,896.94	91,562	
9999999	TOTALS					11,834,527		91,562	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identifi- cation	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other- Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designa- tion or Market Indica- tor (a)
Bonds - U. S. Governments																					
38379H-VW-2	GNR 14180D EP - CMO/RMBS		09/01/2018	Paydown		97,494	97,493.68	97,159		29			29		97,187		306	306	672	04/20/2043	1
0599999	- Subtotal - Bonds - U. S. Governments					97,494	97,493.68	97,159		29			29		97,187		306	306	672		
Bonds - All Other Governments																					
71654Q-BG-6	PETROLEOS MEXICANOS	C	07/27/2018	Morgan Stanley		129,145	135,000.00	125,460	132,165	(4,655)	769		(3,886)		128,279		866	866	4,725	01/30/2023	2FE
1099999	- Subtotal - Bonds - All Other Governments					129,145	135,000.00	125,460	132,165	(4,655)	769		(3,886)		128,279		866	866	4,725		
Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
01179P-X8-5	ALASKA MUN BD BK ALASKA MUN BD BK AUT		09/01/2018	Maturity @ 100.00		155,000	155,000.00	181,717	158,438	504	(3,942)		(3,438)		155,000				7,750	09/01/2018	1FE
30711X-AE-4	CAS 14C02A 1M1 - CMO		09/25/2018	Paydown		47,710	47,710.31	47,814	47,879	(89)	(61)		(150)		47,729		(18)	(18)	788	05/25/2024	1
30711X-C2-8	CAS 18C02 2M1 - CMO		09/25/2018	Paydown		55,049	55,048.59	55,049							55,049				553	08/25/2030	1
30711X-CZ-5	CAS 16C04 1M1 - CMO		09/25/2018	Paydown		19,365	19,365.17	19,583	19,553	(98)	(90)		(188)		19,365				389	01/25/2029	1
30711X-DP-6	CAS 16C06 1M1 - CMO		09/25/2018	Paydown		43,874	43,874.06	44,284	44,376	(326)	(107)		(433)		43,956		(82)	(82)	864	04/25/2029	1
30711X-EK-6	CAS 17C01 1M1 - CMO		09/25/2018	Paydown		10,968	10,967.81	11,019	11,080	(84)	(20)		(104)		10,978		(10)	(10)	227	07/25/2029	1
30711X-NS-9	CAS 17C05 1M1 - CMO		09/25/2018	Paydown		84,593	84,593.45	84,608	30,055	(38)	8		(30)		84,616		(23)	(23)	809	01/25/2030	1
3128MJ-YT-1	FH G08721 - RMBS		09/01/2018	Paydown		17,702	17,702.50	18,300	17,727	534	(13)		521		18,248		(546)	(546)	313	09/01/2046	1
3132WL-RX-6	FH Q46801 - RMBS		09/01/2018	Paydown		35,715	35,715.49	37,803	37,413	261	(87)		174		37,587		(1,872)	(1,872)	824	03/01/2047	1
3136A0-Y2-7	FNR 1189B BA - CMO/RMBS		09/01/2018	Paydown		3,896	3,895.53	3,919	3,906	11	(4)		7		3,913		(17)	(17)	59	11/25/2025	1
3136A2-5W-9	FNR 11141B CA - CMO/RMBS		09/01/2018	Paydown		17,658	17,657.72	17,810	17,510	256	(16)		240		17,749		(92)	(92)	214	12/25/2025	1
3136AG-SU-7	FNR 13104A JA - CMO/RMBS		09/01/2018	Paydown		13,524	13,523.76	13,498							13,498		25	25	18	12/25/2030	1
3136AG-UB-6	FNR 13100D DH - CMO/RMBS		09/01/2018	Paydown		4,856	4,855.94	4,839							4,839		17	17	6	09/25/2031	1
3137AG-BH-2	FHR 3945B BJ - CMO/RMBS		09/01/2018	Paydown		16,644	16,643.90	16,833	16,491	294	(17)		277		16,769		(125)	(125)	200	03/15/2026	1
3137AJ-BR-4	FHR 3958D DL - CMO/RMBS		09/01/2018	Paydown		6,600	6,599.73	6,609							6,609		(9)	(9)		09/15/2029	1
3137AJ-YX-6	FHR 3977C AD - CMO/RMBS		09/01/2018	Paydown		4,213	4,213.39	4,219							4,219		(5)	(5)		09/15/2029	1
3138L7-HD-1	FN AM6527 - RMBS		08/01/2018	Paydown		1,751	1,751.29	1,787	1,752	12	(4)		8		1,759		(8)	(8)	22	08/01/2019	1
3138L7-HD-1	FN AM6527 - CMBS/RMBS		09/01/2018	Paydown		857	857.10	875	857	6	(3)		3		860		(3)	(3)	13	08/01/2019	1
3138WE-RN-1	FN AS4992 - RMBS		09/01/2018	Paydown		7,193	7,193.45	7,517	7,410	92	(3)		89		7,500		(306)	(306)	146	05/01/2045	1
3138WF-2Y-1	FN AS6190 - RMBS		09/01/2018	Paydown		15,159	15,158.60	15,783	15,616	129	(5)		124		15,740		(581)	(581)	303	11/01/2045	1
3138WF-2Z-8	FN AS6191 - RMBS		09/01/2018	Paydown		20,049	20,049.34	20,890	20,654	185	(7)		178		20,831		(782)	(782)	413	11/01/2045	1
3138WJ-AA-0	FN AS8126 - RMBS		09/01/2018	Paydown		19,597	19,596.67	20,238	20,161	67	(17)		50		20,211		(615)	(615)	404	10/01/2046	1
3138YJ-4G-8	FN AY5322 - RMBS		09/01/2018	Paydown		10,333	10,332.65	10,506	10,353	133	(6)		127		10,480		(147)	(147)	159	04/01/2030	1
3138YW-KG-1	FN AZ4794 - RMBS		09/01/2018	Paydown		7,407	7,407.18	7,696	7,561	97	(8)		89		7,650		(243)	(243)	130	10/01/2030	1
31398G-ZS-1	FNR 1012B AC - CMO/RMBS		08/25/2018	Paydown		263	262.53	260	262	(2)	2				263				7	12/25/2018	1
31398N-LS-1	FNR 10106B BD - CMO/RMBS		09/01/2018	Paydown		4,110	4,109.94	4,134	4,120	(11)	(1)		(12)		4,108		2	2	63	09/25/2020	1
31398Q-HB-6	FHMS K007 A2 - CMBS		09/01/2018	Paydown		1,445	1,445.01	1,584	1,497	17	(20)		(3)		1,494		(49)	(49)	36	03/25/2020	1
31418B-ZF-6	FN MA2541 - RMBS		09/01/2018	Paydown		18,753	18,753.18	19,184	18,733	393	(13)		380		19,113		(360)	(360)	275	02/01/2031	1
31418C-GE-8	FN MA2896 - RMBS		09/01/2018	Paydown		14,426	14,426.10	14,766	14,819	(71)	(12)		(83)		14,737		(311)	(311)	297	02/01/2047	1
34074G-DG-6	FLORIDA HURRICANE CATASTROPHE FD FIN		07/01/2018	Maturity @ 100.00		500,000	500,000.00	504,270	500,175	333	(508)		(175)		500,000				10,535	07/01/2018	1FE
56045R-AH-2	MAINE MUN BD BK		09/01/2018	Maturity @ 100.00		475,000	475,000.00	519,698	482,695	(25)	(7,670)		(7,695)		475,000				21,489	09/01/2018	1FE
59261E-AJ-8	METROPOLITAN TRANSN AUTH N Y SPL OBLI		06/29/2018	Unknown															1,434	07/01/2023	1FE
3199999	- Subtotal - Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					1,633,710	1,633,710.39	1,717,092	1,511,093	2,580	(12,624)		(10,044)		1,639,870		(6,160)	(6,160)	48,740		
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
03027X-AD-2	AMERICAN TOWER CORP		08/29/2018	Unknown		681,170	650,000.00	678,424			(790)		(790)		677,634		3,536	3,536	17,694	02/15/2024	2FE
05565Q-CG-1	BP CAPITAL MARKETS PLC	C	09/26/2018	Maturity @ 100.00		120,000	120,000.00	121,043	120,221	34	(255)		(221)		120,000				2,689	09/26/2018	1FE
06849R-AF-9	BARRICK NORTH AMERICA FINANCE LLC		07/17/2018	VARIOUS		250,255	240,000.00	255,502	254,042	1,151	(2,331)		(1,180)		252,863		(12,863)	(12,863)	16,913	05/30/2021	2FE
3137G0-UC-1	STACR 18HQA1 M1 - CMO		09/25/2018	Paydown		12,298	12,297.60	12,315		8			8		12,324		(26)	(26)	85	09/25/2030	1FE
31677Q-BD-0	FIFTH THIRD BANK		07/20/2018	Call @ 100.00		250,000	250,000.00	249,958	250,293	(300)	8		(292)		250,000				4,927	08/20/2018	1FE
(continues)																					
(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues																					

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of
During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identifi- cation	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other- Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designa- tion or Market Indi- cator (a)
Bonds - Industrial and Miscellaneous (Unaffiliated) (continued)																					
345397-XW-8	FORD MOTOR CREDIT COMPANY LLC		09/05/2018	Unknown		636,910	650,000.00	672,097	660,166	5,921	(3,275)		2,646		662,812		(25,902)	(25,902)	20,901	03/18/2021	2FE
345397-YL-1	FORD MOTOR CREDIT COMPANY LLC		08/30/2018	Unknown		387,985	400,000.00	405,939	404,632	607	(803)		(196)		404,436		(16,451)	(16,451)	12,466	03/28/2022	2FE
34540T-RB-0	FORD MOTOR CREDIT COMPANY LLC		09/06/2018	Unknown		183,735	200,000.00	199,265	199,088	206	43		249		199,337		(15,602)	(15,602)	5,706	06/20/2027	2FE
34540T-TE-2	FORD MOTOR CREDIT COMPANY LLC		08/31/2018	Unknown		485,985	500,000.00	499,515			18		18		499,533		(13,548)	(13,548)	4,056	06/20/2023	2FE
437076-BB-7	HOME DEPOT INC		09/10/2018	Maturity @ 100.00		50,000	50,000.00	49,930	50,143	(152)	9		(143)		50,000				1,125	09/10/2018	1FE
444859-BD-3	HUMANA INC		08/29/2018	Unknown		498,910	500,000.00	495,825			183		183		496,008		2,902	2,902	8,021	10/01/2024	2FE
59156R-AT-5	METLIFE INC		08/15/2018	VARIOUS		128,072	125,000.00	148,152	132,815	39	(4,331)		(4,292)		128,522		(3,522)	(3,522)	12,718	02/15/2019	1FE
824348-AR-7	SHERWIN-WILLIAMS CO		08/29/2018	Unknown		240,513	250,000.00	256,440	253,965	2,412	(518)		1,894		255,859		(15,347)	(15,347)	9,344	08/01/2025	2FE
3899999	- Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					3,925,833	3,947,297.60	4,044,405	2,325,365	9,918	(12,034)		(2,116)		4,009,328		(96,823)	(96,823)	116,645		
8399997	- Subtotal - Bonds - Part 4					5,786,182	5,813,501.67	5,984,116	3,968,623	7,843	(23,860)		(16,017)		5,874,664		(101,811)	(101,811)	170,782		
8399999	- Subtotal - Bonds					5,786,182	5,813,501.67	5,984,116	3,968,623	7,843	(23,860)		(16,017)		5,874,664		(101,811)	(101,811)	170,782		
9999999	- TOTALS					5,786,182		5,984,116	3,968,623	7,843	(23,860)		(16,017)		5,874,664		(101,811)	(101,811)	170,782		

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Schedule DB, Part A, Section 1
NONE

Description of Hedged Risk (s)
NONE

Financial or Economic Impact of the Hedge
NONE

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Schedule DB, Part B, Section 1
NONE

Schedule DB, Part B, Section 1, Broker Name
NONE

Schedule DB, Part B, Description of Hedged Risk (s)
NONE

Schedule DB, Part B, Financial or Economic Impact of the Hedge
NONE

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Schedule DB, Part D, Section 1
NONE

Page E09

Schedule DB, Part D, Section 2, By Reporting Entity
NONE

Schedule DB, Part D, Section 2, To Reporting Entity
NONE

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Schedule DL, Part 1
NONE

Page E11

Schedule DL, Part 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository		Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	*
Name	Location and Supplemental Information					First Month	Second Month	Third Month	
Open Depositories									
Bank of America #5526	Houston, Texas		0.710	1,450		1,230,544	1,230,909	1,231,628	
BankUnited Operating #5053	Miami, Florida					(175,431)	54,611	1,677,159	
BankUnited Claims #6846	Miami, Florida					(3,426,888)	(3,241,457)	(3,169,780)	
BankUnited MM #5541	Miami, Florida					8,598,727	3,798,388	2,800,182	
BankUnited Reinsurance #2738	Miami, Florida		1.570	163,327		34,474,614	13,538,128	12,881,882	
BankUnited Claims #8374	Miami, Florida					(269,769)	(463,410)	(390,111)	
BankUnited Claims #4907	Miami, Florida					(82,054)	(100,638)	(102,542)	
BankUnited Claims #3814	Miami, Florida					(866,592)	(267,365)	(310,157)	
BankUnited NE Claims #6466	Miami, Florida					(128,045)	(153,143)	(126,816)	
BankUnited NE Holdback #7079	Miami, Florida		1.140	3,567		676,550	745,108	815,209	
BankUnited AR Claims #1039	Miami, Florida					(579,926)	(509,836)	(717,058)	
BankUnited UT Claims #6404	Miami, Florida							(98,242)	
RBC Investor Services	Miami, Florida							543,954	
0199998 - Deposits in 3 depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories						(835,324)	(143,061)	(82,391)	
0199999 - TOTAL - Open Depositories						38,616,406	14,488,234	14,952,917	
0399999 - TOTAL Cash on Deposit						38,616,406	14,488,234	14,952,917	
0599999 - TOTALS						38,616,406	14,488,234	14,952,917	

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Amount Received During Year
All Other Money Market Mutual Funds								
123456-79-0	RBC BANK DEPOSIT PROGRAM		09/28/2018	0.100		2,796,154		628
61747C-82-2	MORG STAN I LQ:GS PAR		09/28/2018	1.690		1,461,666		2,268
990284-91-1	MERRILL LYNCH		09/28/2018			3,597		5
8699999 - All Other Money Market Mutual Funds						4,261,418		2,901
8899999 - Total Cash Equivalents						4,261,418		2,901